Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 29, 2024

Company name: Inaba Denki Sangyo Co., Ltd.
Stock exchange listing: Tokyo
Stock code: 9934 URL https://www.inaba.co.jp
Representative: President and Representative Director Seiichi Kita
Inquiries: Executive Officer and General Manager, Business Planning Department Masayuki Tamagaki TEL 06-4391-1781

Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: No
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2024	82,113	10.5	5,426	21.9	6,133	20.2	4,267	18.0
Three months ended June 30, 2023	74,299	9.5	4,450	0.6	5,101	(7.9)	3,616	(5.9)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	76.17	75.17
Three months ended June 30, 2023	64.89	64.25

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	254,491	163,411	63.9
As of March 31, 2024	262,811	162,269	61.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	60.00	–	70.00	130.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		60.00	–	70.00	130.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	362,000	4.8	23,500	10.2	23,800	5.4	16,400	5.0	292.97

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:	Yes
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements:	No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2024	56,419,000 shares	As of March 31, 2024	56,419,000 shares

Number of treasury shares at the end of the period

As of June 30, 2024	318,455 shares	As of March 31, 2024	441,211 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	56,029,965 shares	Three months ended June 30, 2023	55,736,529 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	57,495	53,771
Notes and accounts receivable - trade, and contract assets	73,995	57,671
Electronically recorded monetary claims - operating	35,881	41,722
Securities	12,000	12,000
Merchandise and finished goods	20,711	25,379
Work in process	420	448
Raw materials and supplies	3,257	3,236
Other	1,800	1,425
Allowance for doubtful accounts	(2)	(1)
Total current assets	205,561	195,656
Non-current assets		
Property, plant and equipment		
Land	14,090	14,104
Other, net	7,584	7,616
Total property, plant and equipment	21,674	21,721
Intangible assets	1,446	1,657
Investments and other assets		
Investment securities	19,645	20,803
Other	14,484	14,652
Allowance for doubtful accounts	(1)	(0)
Total investments and other assets	34,128	35,455
Total non-current assets	57,249	58,835
Total assets	262,811	254,491

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	6,383	6,832
Accounts payable - trade	70,846	62,088
Short-term borrowings	413	416
Income taxes payable	5,192	2,351
Provision for bonuses	6,151	7,728
Provision for bonuses for directors (and other officers)	134	–
Other	5,394	5,797
Total current liabilities	94,515	85,214
Non-current liabilities		
Retirement benefit liability	51	55
Other	5,974	5,810
Total non-current liabilities	6,025	5,865
Total liabilities	100,541	91,079
Net assets		
Shareholders' equity		
Share capital	13,962	13,962
Capital surplus	14,171	14,171
Retained earnings	126,868	127,151
Treasury shares	(1,411)	(1,019)
Total shareholders' equity	153,590	154,266
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,260	7,619
Deferred gains or losses on hedges	(0)	1
Foreign currency translation adjustment	736	831
Total accumulated other comprehensive income	7,996	8,452
Share acquisition rights	683	693
Total net assets	162,269	163,411
Total liabilities and net assets	262,811	254,491

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	74,299	82,113
Cost of sales	61,200	67,168
Gross profit	13,099	14,945
Selling, general and administrative expenses	8,648	9,519
Operating profit	4,450	5,426
Non-operating income		
Interest income	16	24
Dividend income	375	505
Foreign exchange gains	205	118
Other	63	80
Total non-operating income	661	728
Non-operating expenses		
Interest expenses	3	4
Loss on cancellation of insurance policies	0	6
Other	5	10
Total non-operating expenses	9	21
Ordinary profit	5,101	6,133
Extraordinary income		
Gain on sale of non-current assets	4	0
Gain on sale of investment securities	89	–
Total extraordinary income	93	0
Extraordinary losses		
Loss on retirement of non-current assets	0	1
Loss on sale of non-current assets	0	–
Total extraordinary losses	0	1
Profit before income taxes	5,194	6,132
Income taxes - current	1,921	2,250
Income taxes - deferred	(343)	(385)
Total income taxes	1,578	1,865
Profit	3,616	4,267
Profit attributable to owners of parent	3,616	4,267

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	3,616	4,267
Other comprehensive income		
Valuation difference on available-for-sale securities	1,647	358
Deferred gains or losses on hedges	8	2
Foreign currency translation adjustment	125	95
Total other comprehensive income	1,780	455
Comprehensive income	5,397	4,723